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SUBJECT: JEWISH PROPERTY RESTITUTION: ONLY MINOR PROGRESS

- 11. (SBU) Summary: There has been little progress over the last year on completion of Jewish property restitution in Latvia. A GOL Task Force studying the issue is expected to issue its much-delayed report soon. They will likely declare that there is no legal mechanism for returning any property to the Jewish community. The government has pledged to facilitate use by the Jewish community of one school building in time for the next academic year. No formal agreement has been reached, however, and it is not clear that the GOL has any plan to turn over the title to the building. End summary.
- 12. (SBU) The GOL Task Force studying property restitution, established last September, is reportedly prepared to release a final report on September 25th. (Note: This is not the first promised deadline for the report.) The Task Force has conducted an exhaustive investigation into properties owned by many minority groups, including Jews, Poles, Germans, and others. They have identified 53 communal properties to be returned, including, but not limited to, the 14 communal Jewish properties covered in previous draft legislation. Contrary to prior indications, the MFA believes the report and recommendations will be made public after they are delivered to the Prime Minister.
- 13. (SBU) One property in particular may be made available to the Jewish Community in the near term. A former Jewish school, commonly referred to by its address "Abrenes 2," has been used as a professional school for years. As Latvia's economic downturn has forced consolidation of the school system, the Ministry of Education's need for the facility has declined. Despite some reluctance, the Ministry of Education transferred the building to the Ministry of Finance, which holds title now.
- 14. (SBU) MFA State Secretary Teikmanis informed Ambassador that Abrenes 2 should be returned to the Jewish community in time for use next school year. Andris Razans, Director of Policy Planning and the lead at MFA on property restitution, has since admitted that several challenges remain. So far, no agreement has been reached, and the Ministry of Justice has concluded that the GOL has no authority to return any property without an act of parliament. Instead, the GOL is exploring alternatives such as renting Abrenes 2 to the Jewish community for a "symbolic" rent payment. Despite this, Razans believes that there are "no major obstacles" to getting a Jewish school running at Abrenes 2 by next fall. To avoid any anti-Semitic reaction, particularly during a time of economic crisis, the GOL hopes to maintain a low profile on any deal.
- 15. (SBU) Razans was unwilling to venture whether the GOL would pursue a case-by-case approach or, instead, adopt a strategy to deal with the whole list of properties once the Task Force report is finalized. Rather, he explained that an act of Saeima would be needed to return anything, and with elections coming next year, he did not feel that there was much political opportunity for any properties to be returned under either strategy.
- 16. (SBU) Comment: Post continues to press the GOL at every opportunity to engage in substantive negotiations with the Jewish

community. While Abrenes 2 might still be a positive example, it is far from the done deal that some have seemed to imply. Furthermore, renting the school to the community, even for a nominal fee, is a far cry from actually returning the title. While intentions are clearly good in some quarters, such as the MFA, entrenched resistance at the Ministry of Justice and the GOL's fiscal crisis are proving a difficult combination to overcome.

GARBER